

became blurred in para-constitutional structures (what he elsewhere has called the 'dual state'). As such, this book is a profound diagnosis of Russia's broader post-Soviet political malaise. Blending insightful empirical evidence with theoretical arguments about Russia's political system, Sakwa explains the fall of Yukos as a sea change for governance in Russia finding its role and place a decade after the Soviet Union's collapse. The reader is left with the impression that after the Soviet Union fell, Yukos had to fall so that Putin's Russia could emerge.

Throughout the book, occasional historical recourses to figures such as Bukharin, Stalin, Kamenev, Zinoviev, Solzhenitsyn, Dostoevsky or even Nelson Mandela provide refreshing, and sometimes provocative, analogies for ideas and policies recurring in contemporary Russia. Weaving together the recognition of historical patterns with original theorising and unconventional comparisons, this is not only innovative scholarship, but also inspiring writing.

Yet, Sakwa refrains from offering a romanticised depiction of Khodorkovsky as a spiritual and moral hero falling into disgrace with the Putinite regime. Instead, he also provides a detailed and balanced account of the personal evolution of two men whose clash stands as emblematic for the birth pangs of Russia after communism, demonstrating how worldviews of the main protagonists in the 'Yukos affair' were shaped both by convictions and events. The fourth chapter in particular retraces the gradual hardening of Putin's own position both in reaction to Khodorkovsky's demeanour and Putin's own (more hardline) *siloviki* entourage. The stronger focus of the book, however, is on Khodorkovsky's evolution as a person and a political thinker. The last three chapters therefore outline Khodorkovsky's personal ideological evolution since imprisonment as conveyed through his writings, speeches and interviews. Far from merely retelling Khodorkovsky's critique of justice and politics in Russia, this part of the book also emphasises the paradoxes in his writings and provides a comprehensive reading of his personality. The author calls Khodorkovsky's political suggestions at times 'rather idealistic' (p. 199) or 'vague' (p. 197), but describes him also as an 'acute analyst' (p. 193) and a 'sophisticated thinker' (p. 192).

On balance, the conceptual analysis of Khodorkovsky's philosophical reflections and political thoughts offers a fair critique of the thinking of a man who had become the most prominent political prisoner in Putin's Russia. Exposing Khodorkovsky's politico-philosophical shift 'from rip-roaring neo-liberal' to embracing a 'left-centre social-democratic philosophy' (p. 205), Sakwa reflects on the evolution of the former oligarch's worldviews and how his ambition became 'to understand the trajectory of Russian political life' (p. 173).

It is precisely the latter aspect which makes this book a valuable contribution to the scholarship on Russian contemporary society and politics because Khodorkovsky's personal wrangle is convincingly portrayed as mirroring Russia's troubled relation between state and society at large. Eschewing simplistic depictions of Khodorkovsky as anti-Putin, the book thus follows the rise and fall of an oligarch as a symbol for Russia's struggle with itself that will continue to resonate long into Putin's third term as president and beyond.

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Akos Rona-Tas & Alya Guseva, *Plastic Money: Constructing Markets for Credit Cards in Eight Postcommunist Countries*. Stanford, CA: Stanford University Press, 2014, xx + 318pp., \$45.00 h/b.

MOST AMERICANS KNOW THEIR CREDIT SCORES AND HAVE AT LEAST ONE credit card; however this is not the case in the former communist countries, where plastic credit cards are still a novelty and living on credit is viewed as a sin. This well-researched volume tells us that constructing competitive markets

in post-communism requires a fine balance between regulation, coercion and incentives in order to overcome resistance from economic actors and consumers. Markets do not emerge by themselves.

This book is the first comprehensive comparative account of the emergence and development of credit card markets in post-communist countries. Drawing on a wealth of qualitative data, the authors boldly choose to isolate and explain the formation of generative rules, 'the rules and mechanisms that generate markets as distinct from those that keep them going' (p. 53). These generative rules are clustered into five puzzles acrimoniously traced across eight cases: Hungary, Poland, the Czech Republic, Bulgaria, Russia, Ukraine, Vietnam and China. The five problems are further subdivided into two payment problems (building two-sided markets, standardisation) and three credit puzzles (information asymmetry, information sharing and market origination).

In order to successfully construct a functioning market for credit cards, the authors claim, the five puzzles have to be resolved. Since the American case is the ideal type against which the eight cases are compared, references to it abound. Among the significant findings reported in the book is the discovery that despite global pressures, the American standard is not replicated in its entirety in any of the markets under scrutiny. This should allay the fears entertained by many globalisation critics regarding the domination of the world credit card market by two multinationals. Nevertheless the volume does not provide simple answers to complex questions, since it also shows how, in the Central European cases, the well-known Visa and MasterCard logos replaced the local brands and dominate the market.

Examining each of the five puzzles in a different post-communist context puts into perspective the challenges surrounding the creation of functioning credit markets. Firstly, in order to create demand and supply for plastic cards, cash had to be displaced as a means of payment. It turned out that both consumers and merchants resisted the introduction of plastic cards, albeit for different reasons. Consumers did not see the purpose of plastic cards, preferring cash instead of cards out of inertia and out of convenience. Even when coerced by employers through salary projects to accept plastic cards, they would use plastic cards to withdraw cash from ATMs, instead of using them as a means of payment. As the authors point out 'mobilizing the remnants of socialism, postcommunist states intervened forcefully, mostly denying rather than offering choice to consumers' (p. 74). On the supply side, merchants complained about the credit card fees and feared that the use of plastic cards would convey to the authorities too much information about their unofficial transactions. To resolve the problem Ukraine passed legislation and legally forced retailers to accept plastic cards. Other countries might follow suit soon. The second payment problem, the common technological standards, was resolved in various contexts by state intervention, by imposing Visa and MasterCard standards on local actors or, more recently, by the Single Euro Payments Area chip-only standards.

When it comes to the credit function of plastic cards, the first problem to be solved is information asymmetry. Identifying bad borrowers in a context where banks do not know their credit history looks like a shot in the dark. Collateral requirements, sanctions and screening procedures such as the use of algorithms help mitigate the risks stemming from information asymmetry. While algorithms are becoming popular in Central European countries, in the other countries other screening methods are used. At one point, the authors cite anecdotal evidence from an interviewed Ukrainian bank employee, who would ask about the applicant's favourite radio station in order to determine his/her socioeconomic status. It seems the bank was penalising Radio Chanson listeners. 'Whoever listens to it is not a critical borrower for our bank', the bank officer tells the interviewer (p. 185).

Solving the second puzzle, information sharing among unequal banks, is difficult. As the authors point out, in the absence of credit bureaus and credit registries, former socialist mammoths (Sberbank in Russia, OTP in Hungary, PKO in Poland) oppose extensive information-sharing arrangements. Of course, cooperation is not entirely absent; researchers document successful attempts to compile honours lists and blacklists. Besides the reluctance of the former socialist savings banks to cooperate, sharing is hampered by privacy concerns. No wonder that state intervention plays an important role here too, since some states make information sharing between banks and credit bureaus a requirement.

Market origination, the last credit puzzle, was often resolved by issuing credit cards to elite members, business people, later on to bank employees and then gradually moving to the mass consumer. From *nomenklatura* status symbols, cards become for some Polish businessmen a sign of equal status with Western business partners. One Polish businessman recalls his embarrassment when, after inviting Western business partners to lunch, he had to pay with cash (p. 122). In China, which has one of the highest card penetration rates, the state encouraged full-scale campaigns targeting students and housewives.

Upon reading this methodologically sophisticated scholarly book, one cannot escape the intuition that states with different levels of state capacity react to global pressures and construct their credit card markets differently. It seems that weaker states as well as states closer to the Western economies facing these five puzzles falter and end up hosting multinational credit card companies. On the other hand, high-capacity states such as China resist and consolidate their own card payment system, in this case UnionPay. As the authors mention, Russia is also planning to have its own card payment system, but with Western sanctions in full swing, Russian banks are testing UnionPay cards. The link between state capacity and market building in post-communism deserves more attention. This thought-provoking, conceptually rich book, wrapped in a beautifully designed cover, is required reading for sociologists, historians, economists and political scientists interested in the post-communist region.

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Robert Bruce Ware (ed.), *The Fire Below. How the Caucasus Shaped Russia*. New York, NY & London: Bloomsbury Academic, 2013, xii + 337pp., £17.99 p/b.

THE AIM OF THE CONTRIBUTING AUTHORS IN THIS VOLUME IS TO TURN around the mainstream debate in order to explain how the Caucasus has shaped Russia—rather than the more usual theme of how Russia shaped the Caucasus. The task is accomplished through three main sections, each posing a smaller question: ‘Caucasian Causation’ or why the Caucasus changed; ‘Caucasian Consequences’ or how it changed; and ‘Caucasian Crosscurrents’ or how the changes affected the rest of Russia.

After the editor’s introduction to the topic, the first section starts with an analysis of how numerous Western journalists and scholars picture Russia. The Russian quest to recover its empire, ‘the new Great Game’ of energy in the Caucasus, and Moscow’s opposition to democracy are some of the main examples of the presumptions Patrick Armstrong calls ‘memes’. The author evokes the often-forgotten positions of separatist regions such as Abkhazia or South Ossetia in order to demystify the Russian ‘memes’. The relevant data in this study are later corroborated in an appendix by Nicolai Petro which applies some of Armstrong’s memes to the Pussy Riot case.

Chapter 3 establishes a relationship between some of the most important events in the Caucasus, Russian regional policy and Islamic radicalism. Sagramoso and Yarlykapov explain how *Perestroika* and *Glasnost* opened space for Islam to flourish in the Northern Caucasus, although with different results in each republic. They also explore how federal and regional governments answered the growing influence and radicalisation of Salafists (Wahhabis), Sufis and other Islamic groups in the region over the past 20 years, and how that is related with the growing ‘caucasiophobia’ among Russian nationals.

The current efforts to bring about the modernisation and development of the Russian armed forces and its relationship with the recent wars in the Caucasus is the focus of the next chapter. The authors are two members of the US Army who present very interesting and technical data, hard to access for most

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